

201 KAR 11:230. Continuing education requirements.

RELATES TO: KRS 324.010(7), (8), 324.046(5), 324.085(1), (2), 324.090, 324.160(1)(c), (4)(u), 324.281(7), 324.287, 324.310

STATUTORY AUTHORITY: KRS 324.085(1), (4), 324.160(1)(c), (4)(u), 324.281(5), (7), (8), 324.282

NECESSITY, FUNCTION, AND CONFORMITY: KRS 324.085(1) requires an actively-licensed agent, except an agent licensed prior to June 19, 1976, to successfully complete six (6) hours of mandatory continuing education each year as a condition of license renewal and requires that three (3) of the six (6) hours pertain to the study of real estate law. This administrative regulation establishes the requirements relating to continuing education and the amount of the fine for failure to comply with the requirements.

Section 1. Definition. "Continuing education course" means a course approved pursuant to the requirements set forth in KRS 324.085(1) and this administrative regulation.

Section 2. Mandatory Continuing Education. (1) An active licensee, licensed by the commission on or after June 19, 1976, shall meet the requirements of KRS 324.085(1) by attending and successfully completing six (6) hours of continuing education courses that are sponsored or approved by the commission by December 31 of each calendar year.

(a) An active licensee shall receive continuing education credit for any approved course taken, if he or she files with the commission a certificate of completion for each course for which credit is sought by December 31 of each calendar year.

(b) These courses may be offered in one (1) to six (6) hour increments.

(c) An active license shall not be renewed unless the licensee has complied with the provisions of this administrative regulation.

(2) An active licensee shall attend a commission-approved core course once every four (4) years, with the first four (4) year cycle beginning from the date of initial licensure. The core course shall:

(a) Satisfy the licensee's mandatory continuing education requirement for the year in which the course is taken; and

(b) Be a six (6) hour comprehensive review of the requirements of:

1. KRS Chapter 324;
2. 201 KAR Chapter 11;
3. Common and federal law relating to real estate; and
4. The standards of practice for a real estate licensee.

(3) Continuing education hours exceeding the amount required shall not be carried forward to the next year's requirements or used to reactivate a license in the next calendar year.

(4)(a) An hour of instruction in a pre-license real estate education course, unless it is the licensee's year to complete the core course, shall be credited to the mandatory continuing education requirements for the calendar year in which the course is taken and completed.

(b) The licensee shall submit a transcript or course completion certificate for the pre-license course in order to receive credit toward the continuing education requirements for that calendar year.

Section 3. Exemptions from the Mandatory Continuing Education Requirement. (1) The provisions of this administrative regulation shall not apply to any person licensed by the commission prior to June 19, 1976.

(2) A license recognition broker shall not be required to attend a continuing education

course during the first calendar year in which he or she is first licensed in Kentucky.

(3) A licensee shall not be required to attend a continuing education course during the first two (2) calendar years from the date of issuance of an initial sales associate license.

(4)(a) An escrowed licensee shall not be required to attend continuing education courses while the license remains in escrow.

(b) Before a license is changed from escrow to active status, a licensee shall provide the commission with documentation of the completion of the current calendar year's education requirements.

(c) If the licensee has not completed the core course in the previous four (4) years as required, the core course shall become the current calendar year's continuing education requirement for a license changing from escrow to active.

Section 4. Out-Of-State Continuing Education Requirements. A licensee who attends continuing education in another jurisdiction within the United States, its territories, and possessions may receive approval for completed continuing education courses if:

(1) The real estate regulatory agency of the state where the course is held approved the course for real estate continuing education credit;

(2) The focus of the course is not on the specific real estate laws of another state;

(3) The course is taken and completed during the calendar year for which continuing education credit is sought in Kentucky;

(4) The course enables the licensee to better understand the real estate brokerage business and meets the content criteria prescribed by the commission;

(5) The licensee submits proof of completion of the out-of-state course to the Kentucky Real Estate Commission through electronic or paper verification issued by the provider, and a completed Out of State Continuing Education Compliance Form – Form E111;

(6) The provider's course verification, the Out-of-State Continuing Education Compliance form – Form E111, and other requested forms are provided to the commission for review by December 31 of the calendar year for which the licensee is seeking credit; and

(7) After review of the materials submitted, the commission determines, pursuant to subsections (1) through (4) of this section, that the course complies with continuing education credit requirements.

Section 5. The commission shall notify the licensee of this denial and a brief explanation of the reasons for denial.

Section 6. Compliance and Delinquency. (1) The time requirements established in this administrative regulation shall be extended by the commission if:

(a) A true hardship or other good cause, such as extensive medical issues for the licensee or the licensee's immediate relative or if the licensee convenes active military duty, clearly warrants relief; and

(b) The request for extension and any required documentation is received in writing on or before February 10 of the calendar year immediately following the year in which continuing education requirements were not fulfilled.

(2)(a) If a licensee fails to comply with the provisions of this administrative regulation, the executive director or his representative shall notify the licensee as soon as practical on or after January 10 of the next calendar year of the failure to comply.

(b) If the licensee fulfilled the continuing education requirements in the previous year, proof of completion shall be forwarded to the commission on or before February 10.

(3) A license shall not be cancelled for nonfulfillment of the continuing education require-

ments if, by February 10, the licensee enters into a written delinquency plan, pays a \$500 fine, and either:

- (a) Places the license in escrow; or

- (b) Agrees in the delinquency plan to complete the delinquent continuing education requirements for the previous calendar year on or before June 15.

(4) A licensee who places his or her license in escrow under the provisions of this section shall not reactivate the license until he or she has:

- (a) First completed the core course or the current year's mandatory continuing education requirements as established in Section 2(2) of this administrative regulation; and

- (b) Satisfied the requirements of KRS 324.310.

(5) A licensee who fails to place his or her license in escrow or file the delinquency plan on or before February 10 immediately following the year in which continuing education requirements were not fulfilled, shall automatically have the license cancelled as of that date and shall not be eligible to renew.

(6) If a licensee fails to complete the requirements of the delinquency plan:

- (a) The commission shall notify the licensee of the deficiency on or after July 1;

- (b) The deficiency notice shall advise that the licensee may request a hearing for the commission to consider if the license should be suspended for noncompliance with the delinquency plan; and

- (c) Any suspension ordered by the commission for noncompliance with the continuing education delinquency plan shall be for a period of six (6) months.

(7) Failure to request a hearing shall result in a default order of suspension.

(8) If the commission suspends the license as a result of a default order or after hearing, the licensee shall not be allowed to activate the license unless, within ninety (90) days following expiration of the suspension, the licensee:

- (a) First completes the current year's continuing education requirements;

- (b) Submits the required documents to reinstate the license; and

- (c) Pays all necessary renewal and transfer fees as required by KRS 324.287.

(9) If the licensee does not reinstate the license within ninety (90) days following the completion of the suspension period, the license shall be cancelled and the licensee shall meet the requirements for initial licensure, including retaking the examination.

Section 7. Incorporation by Reference. (1) "Out-of-State Continuing Education Compliance Form – Form E111", 05/15 edition, is incorporated by reference.

(2) This material may be inspected, copied, or obtained, subject to applicable copyright law, at the Kentucky Real Estate Commission, 10200 Linn Station Road, Suite 201, Louisville, Kentucky 40223, Monday through Friday, 8 a.m. to 4:30 p.m. (17 Ky.R. 2297; Am. 2693; eff. 3-8-1991; 18 Ky.R. 2592; eff. 3-25-1992; 24 Ky.R. 2752; 25 Ky.R. 297; eff. 8-17-1998; 25 Ky.R. 1681; eff. 4-14-1999; 27 Ky.R. 1516; 2711; eff. 4-9-2001; 34 Ky.R. 838; 1940; eff. 3-7-2008; 36 Ky.R. 143; eff. 10-2-2009; 42 Ky.R. 469; 1469; eff. 12-4-2015.)